commercial banks as at the end of December 1984 and June 1985 (latest available) was 92,737 and 99,071 respecuively.

(d) Does not arise at this stage.

Merger of Regional Rural Banks with the Sponsoring Banks

1264. SHRI SHANTIMOY GHOSH: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to merge the regional rural banks with the sponsoring banks; and

(b) if so what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) No, Sir. The Government are of the view that Regional Rural Banks should continue to function as separate entities.

Duty on processed fruits and vegetables

1265. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state the reasons for not reducing the excise duty on processed fruits and vegetables and cover it under MODVAT?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): A majority of those processed fruits and vegetables, which are put up in unit containers and ordinarily intended for sale, are leviable to excise duty at 10 per cent *ad valorem*, which is a low rate of duty.

To begin with, MODVAT was extended to goods covered by 37 Chapters in the Central Excise tariff. In the light of the experience regarding the working of MODVAT and other relevant considerations, the question of extension of MODVAT to other commodities including processed fruits and vegetables would be considered.

Import-Export Policy

1266. SHRI SURESH KALMADI: Will the Minister of COMMERCE be pleased to refer to the Import-Export policy wherein it has been stated that all exporters will be provided a Pass Book for imports against exports and all the imports and exports will be entered in the Pass Book to avoid delays and harassment in getting licence under Duty Exempted Scheme and state:

(a) the reasons for which this scheme has not been implemented so far; and

(b) what steps Government are taking to promote exports and avoid delays in getting advance replenishment licences?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHM DUTT): (a) The implementation of the scheme has started recently. Some Pass Books have already been issued.

(b) A number of steps have been taken to promote exports like diversifying and strengthening our productive base, modernisation and technological upgradation of our productive apparatus, modification of industrial policies, provision of fiscal incentives for exports, expansion of Export Processing Zones etc. For expediting consideration of applications of Advance Licences, Regional Advance Licensing Committees consisting of members of all Technical Authorities have been set-up at New Delhi, Calcutta, Madras and Bombay. These Committees have been given enough power to decide most of the cases of Advance Licenses. A time schedule has been prescribed for disposal of applications of advance licences and licensing authorities have been instructed to adhere to this time schedule.

Encouragement for Export of Processed Food

1267. SHRI SURESH KALMADI: Will the Minister of COMMERCE be pleased to refer to the Duty Exemption Scheme under which it has been provided that if any exporter imports goods, he has to export within nine months of the date of import and state:

(a) what are the reasons for which this period of nine months cannot be extended to fifteen months to encourage the export of processed food (which is now in the

thrust area) especially seasonal fruits since processed foods have to be supplied throughout the year and it takes 2-3 months to manufacture these items; and

(b) what steps are being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHM DATT): (a) and (b) The period of 9 months for fulfilment of the export obligation for export of products other than Engineering items and Cassettes, has been fixed in consultation with the technical authorities concerned regarding the element of time required for manufacture/processing of these export products. However, requests for further extension in the export obligation, when received, from exporters including exporters of processed foods, are considered depending upon the merits of each case.

Unearthing of Foreign Exchange Racket in Andhra Pradesh

1268. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Enforcement Directorate and the Andhra Pradesh Police from Hyderabad South Zone have recently arrested some persons engaged in foreign exchange racket and have also arrested some persons who came from Gulf countries in this connection; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The Andhra Pradesh Police, South Zone apprehended 5 persons in a car with U.S. $ 1,20,200. The foreign currency was subsequently seized and all the five persons were arrested on 18-5-86 by the Enforcement Directorate. The arrested persons were remanded to judicial custody till 2-6-86.

In another case, the Directorate of Enforcement with the assistance of Police at Hyderabad intercepted a bus and seized from a Bombay bound passenger S. Rls. 17,500, UAE Dirhams 3,500; Oman Rls. 100 and US $ 100. The passenger was arrested on 21-5-86 and remanded to judicial custody for 15 days. In connection with these cases no person from the Gulf countries was arrested.

Supply of loan forms in Hindi to the Nationalised Banks

1269. SHRI VALAMPURI JOHN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that nationalised banks have been supplied all their loan forms only in 'HINDI';

(b) whether this has caused difficulties to the customers in non-Hindi speaking States; and

(c) if the answer to parts (a) and (b) above be in the affirmative, what steps Government have taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) In pursuance to Official Language Policy of Government, public sector banks have been advised to prepare their cheques, pass books account opening forms, loan application forms, etc. both in Hindi and English and wherever necessary/feasible additionally in the Regional language also.

In the interest of better service to their customers, bank branches do endeavour to deal with them in local language wherever necessary.

(b) and (c) Do not arise.